RESPONSES TO VENDOR QUESTIONS FOR RFP 1563 DHCF-LS

August 4, 2006

1. RFP Pg5. Provide staff to assist DHFS Medicaid Prior Authorization Advisory Committee: What will be the duties of the contractor's staff, what is the anticipated amount of time dedicated to this function, how often does the committee meet?

Answer: *The Prior Authorization Committee typically meets 2-4 times per year. Depending on the procurement package selected for final contract award, contractor duties may include, but not be limited to, providing clinical analysis, recommending preferred products based on clinical and financial criteria and preparing and presenting materials for committee review.*

2. RFP Pg5. Distribution of PDL, including electronic methods like Epocrates: Does Wisconsin currently uses ePocrates to distribute the PDL? If not is ePocrates a requirement of the RFP?

Answer: *Wisconsin Medicaid/SeniorCare currently uses ePocrates as a tool for distributing PDL information. ePocrates is not a requirement of this RFP.*

3. RFP Pg5. Point of Sale Claims Adjudication and Payment: Please define what the Wisconsin Forward program is and what type of interface is expected with the eligibility card.

Answer: *The Wisconsin Forward card is the recipient eligibility card for Wisconsin Medicaid and BadgerCare. SeniorCare and the Wisconsin Chronic Disease Program (WCDP) maintain a separate eligibility card. The expectation of the interface is that pharmacies maintain their capacity to use these existing cards for point-of-sale eligibility verification. The cards are plastic ID cards. No electronic interface is necessary to read the cards. Pharmacies may use the data printed on the cards to enter the recipient number during the submission of the claim.*

4. RFP Pg19. **Section 1.15** Non-Medicaid Senior Care and other sub programs: Has CMS provided authorization for the Non-Medicaid senior care program and other sub programs to be eligible for supplemental rebates without affecting best price?

Answer: *Yes.*

5. RFP Pg28. **Section 2.4.1.1** Liquidated Damages: This section does not define how the amount of liquidated damages will be set, is it at the discretion of the State or will the State and the Contractor come to an agreement on the amount of the liquidated damages. It is also not defined under what conditions liquidated damages can be imposed.

Answer: *This will be addressed as part of the final contract negotiation.*

6. RFP Section 2.0, page 24; Section 2.2, page 25; Section 3, page 31

Section 2.0 of the RFP states that "no part of this section requires a response as part of the technical or cost proposals that serve as the necessary components of bid submissions." However, Section 2.2 is the only place in the RFP where project organization and staffing are addressed. There are no questions in RFP Section 3, Format for Submitting Technical Proposal, that address organization and staffing. Is it the State's intent that bidders not address this topic in their proposals? If not, where should this response be included?

Answer: *Section 2.2 does not require a response. The sentence on page 25 indicating that the resume of the proposed Project Manager must be included in the Proposal has been deleted via RFP amendment. All requirements for completing the technical proposal are contained in Section 3.*

7. RFP Pg 38, Section 3.3 – The data that was received from the State for the data analysis is already processed and paid claims. Based on the fact these claims have already been subjected to prospective DUR edits when they were processed – therefore the claims that have resulted have already produced savings. The results that vendors will get in the analysis will reflect a reduced ProDUR potential savings as a result. Is this assumption correct?

Answer: *That assumption is correct.*

8. Section 5.8 General Requirements. There is a statement under General Requirements section related to provider payment and EOBs. It is our understanding that the fiscal agent will remain responsible for all provider payment activities and the vendor will be required to submit a paid claims file to the MMIS vendor for that purpose. Please clarify.

Answer: *Under Procurement Package 1 only, the vendor is required to adjudicate pharmacy claims and is responsible for issuing provider payments and Explanations of Benefits (EOBs). Claims adjudication and provider payments are not requirements of packages 2 and 3.*

9. RFP Pg 37, Section 3.2.7#2- If a contractor is willing to guarantee a final net drug benefit "per member per month" and does not meet the guarantee the RFP indicates there will be a penalty. This wording makes it sound like the state would pay the cost of the benefit in full but would then impose a penalty on the contractor. This appears to put the full risk for the cost of the program on the state. Is this assumption correct? If so what type of penalty is being considered?

Answer: *The assumption is not correct. The guarantee will be achieved after-the-fact through the imposition of the penalty. The type of penalty will be specified in the contract.*

10. Alternative pharmacy benefit management services are to be provided to Wisconsin Medicaid, BadgerCare, SeniorCare, and all related programs that require pharmacy claims processing services. Are there other related programs such as the Wisconsin Chronic Disease Program that will be covered by this RFP?

Answer: *Yes. Please refer to the medical status code definitions included in the data dictionary of the claims extract CD for a complete accounting of the categories of eligibility.*

11. The Wisconsin Medicaid PBM Value Chain also consists of retrospective DUR. Does the data warehouse support service include the collection and analysis of both pharmacy data and medical data to support disease management programs?

Answer: *Yes.*

12. What is the current composition of the DUR Board and how frequently does it meet?

Answer: *The DUR Board typically meets four times per year. Information about the Board, including membership, is at http://dhfs.wisconsin.gov/medicaid4/pharmacy/dur/dur.htm*

13. The RFP requires Bidders to bid on one or all of three procurement packages. Is Procurement Package 1 the level of pharmacy services currently being provided by the Fiscal Agent vendor?

Answer: *No. The scope of pharmacy services currently being provided by the Fiscal Agent exceeds the scope of Procurement Package 1. Two examples of pharmacy duties that will continue to be administered by the Fiscal Agent include SeniorCare application processing and recipient identification card issuance. Services currently being provided by the Fiscal Agent are listed in Section 1.16 (pages 19-20) of the RFP.*

14. None of the three (3) procurement packages list disease management as a service for the potential PBM vendor to provide. Please provide clarification as to whether the vendor would have a role in the integrated medical and pharmacy cost savings disease management programs of the Wisconsin Medicaid Program.

Answer*: Vendors may propose this under "cost containment consultation and implementation."*

15. None of the three (3) procurement packages list mail order drug services and processing as a service for the potential PBM vendor to provide. Please provide clarification on whether specialized programs to provide mail order drugs to Medicaid patients is not a covered service under this RFP.

Answer: *Vendors may propose this under "cost containment consultation and implementation."*

16. None of the three (3) procurement packages list pharmacy compliance services as a service for the potential PBM to provide. Please provide clarification on whether a vendor's specialized PBM services including pharmacy compliance and surveillance and utilization review are not a covered service under the RFP.

Answer: *Vendors may propose this under "cost containment consultation and implementation."*

17. Wisconsin is currently conducting an alternative PBM and Fiscal Agent procurement and implementation and has been exploring the idea of carving the PBM services out of the Fiscal Agent contract. Because of the cooperation that will be required by a pharmacy carve-out between the Fiscal Agent and the PBM contractor, is Wisconsin considering contract provisions in both contracts that would require the sharing of information needed to carry out contract responsibilities and to realize the cost effectiveness of the PBM carve-out?

Answer: *Information sharing requirements necessary for PBM/MMIS implementation will be pursued following a contract award.*

18. Wisconsin has been conducting a RFI to learn more about the trend towards specialized PBM vendors and early intervention tools to extract savings and to maintain quality. During the RFI, did Wisconsin publish any public documents or minutes summarizing the results of vendor conferences or reports on new PBM tools that would provide background information on Wisconsin's investigation of PBM services and the changing value chain to other RFP bidders who did not participate in the earlier RFI?

Answer: *No.*

19. Wisconsin reserves the right to maintain the status quo of maintaining PBM services within the current Fiscal Agent contract. Besides just responding to the three (3) procurement levels of service in the RFP, is the Bidder also able to directly comment on what the advantages would be for the State to outsource PBM services to specialized pharmacy management vendors?

Answer: *Evaluation scoring will be based on response requirements detailed in the RFP.*

20. We note that proposals are due on August 4, 2006, or 14 days after the release of answers to questions. Will this timeline give potential vendors sufficient time for preparing an original and 7 copies of both the technical and cost proposal, especially if potential vendors elect to bid on more than one of the procurement packages?

Answer: *The RFP timeline has been amended and the proposal due date is now September 1, 2006.*

21. What is the composition of the Evaluation and Selection committees?

Answer: *This is currently being determined.*

22. Is the Evaluation Report binding on the selection committee?

Answer: *The Selection Committee will either accept the recommendation of the Evaluation Committee, make a recommendation not to proceed with procurement or ask for best and final offers.*

23. Can the decision of the Selection Committee be changed by any other public officials in DHFS like the Secretary?

Answer: *As with all Department procurements, an award will be based on the recommendation unless a change in the award is made for one or more of the reasons listed in the administrative rules in Chapter Adm 10.*

24. Can you please clarify the number of recipients, the number of prescriptions, and the pharmacy expenditures for each of the Medicaid Programs (BadgerCare, SeniorCare, and other related programs like the Chronic Disease Program) for SFY 2005 and SFY 2004 to breakdown further the SFY2005 $800 million Medicaid Fee for Service pharmacy expenditures so the potential vendor can understand the drug growth?.

Answer: *We are not providing data from past years because it includes drug cost and utilization for the dually eligible. It is an unreliable basis for trending. To supplement counts of recipients, prescriptions and amounts paid that have already been provided, here is program membership data for calendar 2006, Quarter 1. Please note that "recipients" are defined as those who have had at least one prescription paid during the quarter. "Members" are those who were eligible for pharmacy benefits during the quarter, including those who did not have at least one prescription paid during the quarter. "Member months" are the sum of months for which members were eligible for pharmacy program benefits. Note that members also eligible for Medicare Part D ("dually eligible") remain eligible for a small set of drugs not covered by Part D, such as benzodiazepines.*

Fee-for-Service Membership by Program Category
2006, Quarter 1

Program Category	Members	Member Months
Medicaid with Duals	521,139	1,383,566
Medicaid w/o Duals*	420,141	1,087,419
SeniorCare	89,152	258,352
WI Chronic Disease	1,955	5,824

* This is a subset of "Medicaid with Duals."

25. Can you please clarify the quantity of dual eligibles participating and the Medicaid pharmacy dual eligible spending in Wisconsin Medicaid, BadgerCare, Senior Care, and other related programs for 2006 Q1?

Answer: *This can be accomplished by the vendor using the dual_elig_code field provided in the 2006 Q1 claims extract CD. Vendors should refer to the definition of this field in the data dictionary contained on the CD for a description of how this field can be used to identify the duals.*

26. Would a potential pharmacy vendor have any pharmacy reporting responsibilities with SeniorCare?

Answer: *Yes. Reporting requirements detailed in this RFP apply equally to SeniorCare.*

27. Would the potential vendor also have any pharmacy management responsibility with Family Care, Home and Community Based Waivers, Well Women, Katie Beckett, and the Medicaid Purchase Plan?

Yes.

28. We understand that Wisconsin has 50-55 classes in its PDL, supplemental rebates of approximately $36 million, and is recouping 28% of its gross drug expenditures through a combination of federal and supplemental rebates. Can you describe the multi-state PDL that Wisconsin joined in 2005?

Answer: *Wisconsin participates in a six state PDL pool administered by Provider Synergies, LLC. The states include Delaware, Idaho, Louisiana, Maryland, West Virginia and Wisconsin.*

29. Will the potential vendor have pharmacy reporting responsibilities with Comprehensive NeuroScience, Inc., in the Behavioral Pharmacy Feedback Program?

Answer: *The initial end date of the State's contract with Comprehensive Neurosciences, Inc. is November 2006. If the contract is renewed, the vendor will have responsibilities related to the Behavioral Pharmacy Feedback Project.*

30. Can you list the names of the internal and external stakeholder groups that the potential vendor may have to communicate with during the implementation of this PBM project?

Answer: *This is subject to change with time and will depend on the status of various initiatives at PBM implementation and the procurement package selected. Current groups include the Drug Utilization Review (DUR) Board, the Prior Authorization Committee, Mental Health Drug Advisory Committee and the Behavioral Pharmacy Feedback Stakeholder Advisory Committee.*

31. Does the potential vendor have a choice of setting up an office near Wisconsin Medicaid, or is it expected that it share office space in the Wisconsin Medicaid facilities or in the Fiscal Agent facilities to encourage improved coordination and communication?

Answer: *Vendors should not assume the availability of office space in Wisconsin Medicaid or Fiscal Agent facilities. Vendors should propose their own office space solution.*

32. What individual or committee will be responsible for determining that the potential vendor has not fully complied with performance standards and is therefore subject to the contract clause that payments by Wisconsin may be delayed?

Answer: *A performance standards plan will be negotiated as part of the final contract award.*

33. Wisconsin requests the disclosure of cost containment and implementation services such as e-prescribing in the technical proposal. Is this the appropriate section for discussion about other specialized PBM services such as disease management?

Answer: *Yes.*

34. The vendor seeks clarification that the Cost Savings Opportunity Report will not include an analysis on the BadgerCare Program.

Answer: *Claims contained in the extract provided on the data use agreement CD include claims for BadgerCare recipients who access fee-for-service pharmacy benefits prior to their enrollment in an HMO or because an HMO is not available in their area. These claims should be part of the Cost Savings Opportunity Report.*

35. To assist with the Implementation and Integration Plan which Wisconsin is assuming is 120 days, will the potential vendor obtain additional information on Fiscal Agent services and functions such as access to the full copy of the Fiscal Agent RFP?

Answer: *The MMIS RFP is available at http://dhfs.wisconsin.gov/rfp/#DHCF*

36. Will the potential vendor have access to a blank copy of the anticipated five (5) year PBM contract prior to the submission of the RFP Response on August 4, 2006, in order to clarify the terms and conditions expected of the PBM contractor by the State?

Answer: *No. The final contract scope is highly variable and will depend on the procurement package selected and the initiatives proposed by the vendor. Note that the submission date is now September 1, 2006.*

37. Section 1.0.1, Page 5: We would like more information regarding the request "Capacity for interface with Wisconsin Forward eligibility card". Is this an eligibility extract from the State or an agency of the State? What is the format / media?

Answer: *This question is answered by the responses provided to questions 3 and 67. Format/media can be negotiated with the selected vendor.*

38. Section 1.4, Pages 11-12: Please clarify the number of CDs to be provided. Does the State desire a CD to be included with each original of the technical and cost proposals as well as the copies (a total of 16 for each package)?

Answer*: Please submit one technical proposal CD and one cost proposal CD for each procurement package proposal.*

39. Section 1.9, Page 15: Is it acceptable to incorporate the Transmittal Letter into the technical proposal, provided that it contains the information requested as instructed in 1.9, or must the Transmittal Letter be a separate document to be included along with each technical proposal?

Answer*: The transmittal letter should be separate from the technical proposal.*

40. Section 1.16, Page 20: How are the different populations / programs identified on the eligibility file?

Answer: *By recipient medical status codes. See the data dictionary on the CD claims extract for descriptions of these codes.*

41. Section 1.17, Pages 20-21: Does the State currently provide pharmacy "wrap" benefits to Part D members? If so, please elaborate on the Wrap services the POS system would need to incorporate and the current Part D benefits.

Answer: *The current scope of coordination between Medicaid/SeniorCare and Part D is discussed in Updates at http://dhfs.wisconsin.gov/medicaid4/pharmacy/part_d/index.htm*

42. Section 1.17, Pages 20-21: With Part D implementation, have the temporary measures for continued drug benefits been discontinued?

Answer: *No.*

43. Section 1.1.8, Page 22: What are the automation criteria for the STAT-PA?

Answer: *Wisconsin STAT-PA is described at the following web address: http://www.dhfs.state.wi.us/Medicaid2/handbooks/pharmacy/pa/pa.htm*

44. Section 1.1.8, Page 22: What drugs are covered by the STAT-PA?

Answer: *Wisconsin STAT-PA is described at the following web address: http://www.dhfs.state.wi.us/Medicaid2/handbooks/pharmacy/pa/pa.htm*

45. Section 1.1.8, Page 22: Who operates the STAT-PA?

Answer: *Wisconsin STAT-PA is described at the following web address: http://www.dhfs.state.wi.us/Medicaid2/handbooks/pharmacy/pa/pa.htm*

46. Section 1.1.8, Page 22: How is the STAT-PA information received via phone fed to the POS system currently?

Answer: *Wisconsin STAT-PA is described at the following web address: http://www.dhfs.state.wi.us/Medicaid2/handbooks/pharmacy/pa/pa.htm*

47. Section 1.18. Page 23: The State makes reference to a vendor conference within the Pharmaceutical Care description. Can you provide the details for the conference?

Answer: *This reference was made in error. No conference is planned. The error has been corrected by RFP amendment.*

48. Section 1.18, Page 23: Has the Pharmacy Incentive payment for switching from brand to generic been implemented? If so, how is it controlled / accomplished (through a point of sale transaction, post claim analysis / utilization based, other)?

Answer: *Yes. The incentive is a pharmaceutical care payment. Pharmacies submit a claim using the point of sale system to receive this payment.*

49. Section 1.1.8, Page 23: Can you provide more information regarding the PC enhanced dispensing fee?

Answer: *Information about the Pharmaceutical Care fee can be found at the following web address: http://www.dhfs.state.wi.us/Medicaid2/handbooks/pharmacy/dur/durframe.htm*

50. Section 3.2.2, Page 35: Has Wisconsin received State Plan Approval (SPA) for multi-state pooling from CMS?

Answer: *Yes.*

51. Section 3.4, Page 39: Given the current status of the MMIS/Fiscal Agent Services implementation, what elements of the pharmacy project have gone live already, specifically relating to the POS and PDL?

Answer: *Conversion to the new MMIS system will not occur until 2007. Thus, no elements have been implemented under the new MMIS.*

52. Section 5.3.5, Page 49: Can you clarify your definition of finalizing PAs as outlined (95% within 10 business days and 100% in 20 business days)?

Answer: *"Finalizing" means to approve, deny or modify the PA.*

53. Section 5.3.6, Page 49: Can you clarify what the contractor's responsibilities are to ensure the four-second transaction time for automated responses?

Answer: *Specific responsibilities for performance standards will be finalized in the contract.*

54. Section 5.4.9.6, Page 50: Is it a requirement to utilize First Databank or would the State consider the use of Medispan for the drug reference file?

Answer: *The RFP does not include a requirement to use First Databank. Vendors may propose a product for the drug reference file.*

55. What are the contractor's specific requirements regarding Web based PAs and STAT-PAs?

Answer: *There are not specific web-based PA and STAT-PA requirements. Vendors may propose a process and methods under 3.2.3*

56. Can the State provide a copy of the NPI transition plan so that bidders can understand any modifications that will be required to go live on/near January 1, 2007?

Answer: *The transition to using National Provider Information (NPI) by Wisconsin Medicaid is described here:* *http://dhfs.wisconsin.gov/medicaid/updates/2005/2005pdfs/2005-43.pdf*

57. Section 1.0.1, Page 6: Procurement Package 3 refers to the prior authorization process without combination with the Preferred Drug List (PDL). The RFP defines the PA activities as:

> **Prior Authorization (PA)**
> - Point of Sale PA resolution
> - Web Based PA
> - Application of Step Therapy rules.

57a. Could the State please clarify how PA activities are anticipated to interact with PDL activities? Does the State anticipate that decisions regarding PA will be made outside of the claims processing system and subsequently passed through to the claims processor?

Answer: *Not all PA requirements are related to the Preferred Drug List (PDL). The State anticipates coordination between POS and all other components of PA.*

57b. As the program calls for PA resolution by point-of- sale, could the State please clarify how the claims in need of PA be submitted to the fiscal agent and transmitted to the PA process? What are the specifications from the fiscal agent regarding transmittal of PA requests?

Answer: *This would require coordination between the two vendors, the specifics of which will be highly dependent on the PA tools and processes suggested by the PBM vendor. Final coordination requirements would be established during PBM implementation.*

57c. Could the State please clarify its expectations for the relationship between the PDL process, the PA process, and the Prior Authorization Committee? Will the successful vendor for Package 3 have primary responsibility to interact with the PA Committee?

Answer: *A successful package 3 vendor would have responsibility for recommending PA policies, tools and procedures to the PA committee. Other vendors will coordinate with this process as necessary to assure functionality of the entire PA process.*

57d. The process refers to a point-of-sale resolution of PA (Page 6). Could the State please confirm that this implies "real time" POS resolution? What will the State consider an acceptable response time in a "real time" environment?

Answer: *These standards are not established in this RFP. The RFP solicits ideas and suggested standards from vendors on these pharmacy value chain components.*

58. Section 1.0.2, Page 7: Could the State please confirm that if any of the Procurement Packages are awarded to a vendor other than the current Fiscal Agent, the successful vendor will

need to interact with the current MMIS. Could the State please confirm that the current claims payment system will remain intact? Once the fiscal agent determines that PA or Prospective DUR decisions need to be made, what process does the State anticipate for the MMIS vendor to transmit claims to the pharmacy PBM? If this process will involve additional electronic transmittals, who will be responsible for the additional transaction fees (incoming and outgoing)? Can these fees be billed to the pharmacy?

Answer: *A contract award from this RFP will require the selected vendor to integrate with MMIS. Whether or not the current pharmacy claims payment system will remain intact depends on the procurement package selected. Specific requirements for how that integration might happen have not been established in this RFP to allow vendors to propose program innovations and solutions .*

59. Section 1.0.1, Page 4: Wisconsin Medicaid PBM Value Chain Prospective DUR includes the point-of-sale match with medical claims history. With the medial claims paid by MMIS, could the State please describe how they anticipate the prospective DUR system to be allowed to access medical claims from the MMIS in a real time environment?

Answer: *Subject to change, this is expected to be accomplished through the transmission of a daily extract file.*

60. Section 1.0.1, Page 4: Wisconsin Medicaid PBM Value Chain Cost Containment Consultation and Implementation includes cost containment strategies. To adequately assess the cost impact of the drug benefit, it may be necessary to access other data on hospitalization, emergency room costs, etc. Can the State please clarify how this data would be transmitted to the PBM vendor? Does the State anticipate any charges to the PBM vendor for obtaining this information?

Answer: *Following contract award and upon contract implementation, the State will facilitate the transmission of data necessary for the PBM vendor to accomplish approved cost containment initiatives. Specifics methods of accomplishing these transmissions will vary according to the data needed. Efficient and timely transmission modes will be pursued.*

61. Section 1.4, Page 12: Requirements for Responding to the RFP specifies that an electronic copy of the proposal must be provided on a CD. Could the State please clarify whether it is requesting three (3) CDs (one with the full proposal, one with the technical proposal only, and a third with the cost proposal only), or if two (2) CDs (one with the technical proposal only and one with the cost proposal only) are requested?

Answer: *Please reference the answer to question 38.*

62. Section 1.18, Page 22: Retrospective Drug Utilization Review (Retrospective DUR) briefly mentions the current Wisconsin Behavioral Pharmacy Feedback Program. Can the State please clarify what relationship, if any, the PBM vendor is expected to have with this existing project?

Answer: *If this project is renewed past its initial contract end date of November 2006, the PBM vendor will be expected to participate in project meetings to provide clinical advice and comment on the direction of the project and coordination with other DUR efforts.*

63. Section 2.0, Pages 24-30: The overview notes that no part of the section requires a response as part of the technical or cost proposals. However, there are required elements (an Organizational Chart for the Project, the Organization and Composition of the Project Management Team, and Proposed Key Personnel) that we were unable to find specified in Section 3.0 within any of the required proposal elements. Could the State please clarify whether these elements are in fact required and where they should appear in the proposal?

Answer: *Technical proposals should be responsive to requirements itemized in Section 3. References to "requirements" in Section 2 were corrected in an amendment to this RFP.*

64. Section 3.2.1, Page 35: Item 4 asks for a description of "linkages to prescription claims history." If Scenario #1 is awarded, does the State expect the PBM will share detail-level data with the current MMIS data warehouse? If yes, will this occur in "real time" or will there be a time delay for data transfer? If a delay is expected, what is the anticipated amount of time delay? How will this possible data sharing and possible delay be addressed within the different scenarios and requirements set forth in this RFP? Could the State please clarify whether or not a web-based system is a requirement for Prospective DUR?

Answer: *These specific requirements have not been defined in this RFP specifically to give vendors wide latitude in suggesting management innovations and integration strategies.*

65. Section 3.2.2, Page 35: Preferred Drug List (PDL) and Supplemental Rebate Negotiation ask for the final *brand only* net ingredient cost per prescription. Some classes aggregate drugs in a way that may not produce optimal results. For example, the glaucoma drugs contain drugs with distinct pharmacologic actions. Will the State entertain alternative methodologies that include net cost for each distinct pharmacologic class?

Answer: *The data must be presented as requested in this section to allow submission comparisons.*

66. Section 3.2.3 Prior Authorization (PA), Pages 34-5: Could the State please clarify how it expects the current vendor to transfer pre-existing PA data to the successor vendor in the event of a new awardee under this RFP? Will this data be transferred using standard HIPAA compliant formats or will it be transferred in an alternative format? If in an alternative format, could the State please describe the data elements and file layouts?

Answer: *The specific methodologies of transitioning functions between the current MMIS vendor and the PBM vendor will be determined during contract implementation.*

67. Section 3.2.4 Claims Adjudication and Payment, Page 36: Could the State please describe how eligibility data will be provided to the PBM vendor? What forms of data transfer are currently available? What forms of data transfer are expected to become available?

Answer: *Subject to change, this is expected to be accomplished through the transmission of a daily extract file.*

68. Will the State please confirm that administration of the Recipient Lock-In Program is to be included within the technical requirements of **Section 3.2.7, Page 37**?

Answer: *The State confirms this.*

69. Section 4.0, Page 41 states that "Total RFP evaluation will consider the relationship between costs reflected in the cost proposal and cost savings opportunities provided in the technical proposal." Could the State please provide more information on how they will evaluate and determine savings? Is the definition of cost savings opportunities based on what is estimated or what is at-risk?

Answer: *The general point being made in this section is that a higher cost bid that more than offsets its own additional cost with greater benefit savings may generate the highest overall evaluation score. The Cost Savings Opportunity Report is discussed in section 3.3.*

70. Section 4.1, Page 41 indicates that a Cost Proposal Form would be located in the Attachments Section of the RFP. We were unable to locate this form in the RFP or as part of the Amendments provided on VendorNet. Could the State please clarify where we may find the Cost Proposal form for this RFP?

Answer: *This reference to a form was made in error and has been corrected by RFP amendment. The cost proposal should be submitted on vendor letterhead.*

71. It is understood that **Section 5, Page 43-60** is given to provide Respondents with a sense of the breadth and scope of the business requirements of the PBM contract. If any of the Procurement Packages are awarded to anyone other than the current Contractor, will any or all of these activities be required of the new vendor? If yes, can the State please clarify which tasks would be included within the three procurement packages?

Answer: *Detailed business requirements have not been established prior to the contract award to avoid a pre-established set of requirements driving vendor proposals. The State has sought to provide vendors wide latitude in proposing pharmacy management innovations. Final requirements will be based on the scope and details of vendor proposals.*

72. Could the State please provide a list of firms submitting questions for this RFP?

Answer: *ACS State Healthcare, APS Healthcare, First Health Services, GHS Data Management Navitus Health Solutions, Inc., and US Script.*

73. In what months do the PA Advisory Committee and the DUR Committee meet?

Answer: *Specific meeting months vary.*

74. How many paper claims are submitted for pharmacy claims each month? Does the state anticipate any policy changes that would change that volume during the term of this contract?

Answer: *Paper claims processing represents less than one-half of 1% of claims volume. The State does not anticipate a policy change that would change the volume during the term of the contract.*

75. Does the State plan to process medical claims for rebates?

Answer: *Drug rebate collections for medical claims would be the responsibility of the PBM under procurement packages 1 and 2.*

76. Section 1.15, Page 18 states: Authorization to operate the SeniorCare program currently expires on June 30, 2007. Federal approval is required to continue the program after June 30, 2007. In the event the program is not reauthorized, a reduction in the number of fee-for-service pharmacy claims may result. Should respondents assume that the SeniorCare program would be reauthorized or terminated when determining pertinent volumes for pricing after June 30, 2007?

Answer: *Vendors should assume continuation of program activity reflected in the 2006 Q1 claims extract. This includes SeniorCare.*

77. Section 1.16, Page 20 states that the MMIS/FA supports the following activities. Will these specific activities remain the responsibility of the MMIS/FA even if PBM claims processing and clinical services are carved out?

Written and Telephone Customer Service for Providers and Recipients/Participants
Outbound claims logistics; provider payment and recovery, remittance advice
Eligibility File and interface with CARES, SSA, and Medicare for eligible recipients/participants of Medicaid/BadgerCare/ SeniorCare/FamilyCare
Provider File of certified providers and managed care plans
Recipient Identification Card Issuance
SeniorCare application processing

Answer: *The list on page 20 of the RFP is intended to provider vendors with background regarding current Medicaid program administration. Section 1.01 of this RFP defines the scope of the functions included in the three procurement packages.*

78. Section 1.18, Page 21 states that in 2004, DHFS began working with Provider Synergies LLC to implement a PDL. To date, more than 50 classes have been included in the PDL. How many classes does the state intend to implement each year during the term of this agreement?

Answer: *That will depend on the recommendations of the PDL vendor and the PA Committee.*

79. **Section 1.18, Page 23:** Are the pill splitting and pharmacy incentive payments currently in place?

Answer: *This policy goes into effect September 1, 2006.*

80. **Section 2.2, Page 25:** Does the state intend the PBM Contract Manager to be the main day-to-day contact with all state representatives? Is this position, in effect, the vendor's account manager?

Answer: *The title of the vendor's lead manager(s) for this project and the scope of their duties can be proposed by the vendor and approved as part of the final contract negotiation.*

81. Section 3.2.2, Page 35: What is the current update cycle for the PDL, including benchmarks for supplemental rebate negotiations and other related activities?

Answer: *The PA Committee is currently on a bi-annual PDL review schedule, with meetings occurring in February and August. Additional meetings are scheduled as needed. Supplemental rebate agreements have a 12-month contract life. Each class is re-reviewed and rebates are renegotiated once per year.*

82. Section 3.2.4.8, Page 37: Would the state consider having the PBM provide provider and recipient service call center services to improve service to both constituent groups?

Answer: *As referenced in this section, provider and recipient service call centers are not requirements of this RFP. Optional customer service innovations can be addressed as part of contract implementation.*

83. Section 4.1, Page 41: Would the State please confirm that there is no Cost Proposal Form located in the attachments and that bidders are required to come up with their own format to present their Cost Proposals.

Answer: *The State confirms this.*

84. Section 4.1.1, Page 41: Does the state have a preference for the basis on which operational services are billed, i.e., per paid adjudicated claim, per total adjudicated claim, etc. Does the state pay for reversed, adjusted, or denied claims?

Answer: *Operational services should be billed as a fixed total price, not on a per claim basis. The "total procurement package price" requested in Section 4.1.1 is the fixed price.*

85. Section 4.1.1, Page 41: Could the State please clarify how the bidders are expected to price their Cost Proposals? Please clarify if the State wants to see fixed, or variable, or PMPM, or other type of pricing for each of the following sections: Implementation Cost, Base Operational Cost, and Reimbursable Cost.

Answer: *The State has asked for a total procurement package price for the entire 5-year initial contract period. This total price is a fixed price that should be stratified by implementation costs and base operational costs for each of the major functions identified in the procurement package*

for which you are submitting a bid. In addition to that, rates should be specified for reimbursable costs and change order costs. Finally, a statement is required indicating the vendor's willingness to provide risk-based performance guarantees. Vendors may propose a basis for this guarantee.

86. Section 4.1.2, Page 41: Are printing and production costs associated with provider, member or other party education, and communication efforts to be considered a Reimbursable Cost or should these costs be rolled into the overall program fees?

Answer: *Reimbursable costs are limited to postage and mailing. Nothing else can be considered a reimbursable cost.*

87. Section 4.3, Page 42: According to the RFP, bidders are to present their pricing for each year (total of 5 years). Please clarify how the Inflationary Adjustment would apply to proposed annual prices.

Answer: *The inflationary adjustment to the fixed price that is specified in Section 4.3 is allowable 24 months after commencement of the contract. It can be applied prospectively to annual prices.*

88. Section 5.1.3, Bullet 8, Page 43: In regards to 'other available modules for drug utilization review', is the State referring to other available First Databank modules for drug utilization review?

Answer: *The State is referring to any other modules used for performing prospective DUR that may be available to the vendor.*

89. Section 5.1.4, Page 44: Could the State provide an example of a business situation in which the prescriber would need to override prospective DUR alerts for a prescription?

Answer: *The prescriber may direct the provider to override the alert if the prescriber considers the prescription to be medically necessary despite the concern raised by the alert. This may involve PBM vendor clinical follow-up with the prescriber for further explanation.*

90. Section 5.1.5.2, Page 44: The contractor shall also provide dispensing and prescribing providers with Prospective DUR training and technical assistance, as specified by the State. Please provide detail regarding state expectations of number of training sessions, duration, and location(s) needed to meet this requirement.

Answers: *The vendor should propose a level of training and assistance necessary to accomplish its proposed prospective DUR goals.*

91. Section 5.1.6.4, Page 45: Will the State require pharmacies to include diagnosis codes on pharmacy claims?

Answer: *Currently, diagnosis codes are required on the specific pharmacy claim for specific drugs. The vendor may assemble the kind of reports suggested in this section using an extract of medical claims anticipated to be updated daily.*

92. Section 5.2.3, Page 46: The following requirement lists broad groups of interested parties that must receive important correspondence. Please provide estimated numbers of recipients in each group to whom correspondence must be delivered and an estimated communication schedule so that costs can be estimated more accurately: "Develop and, following approval by DHFS, mail or make available in electronic (e.g., web-based) format, necessary correspondence to providers, recipients, Medicaid service agencies, advocacy groups and other interested parties regarding PDL guidelines, policies and procedures."

Answer: *PDL-related paper correspondence is typically mailed to pharmacies and prescribers 4-6 times per year. There are 1,200 – 1,300 pharmacy providers and approximately 25,000 prescribers. We currently do not send PDL updates to recipients. Other interested parties access PDL information via web-based formats.*

93. Section 5.2.3.4, Page 47: Design and implement targeted educational efforts, including web-based efforts, to improve compliance among outlier prescribers and pharmacies to maximize the effectiveness of the PDL. Please define the state's expectations related to numbers of providers targeted and frequency and method of communication regarding the requirement.

Answer: *See the count of pharmacy providers and prescribers in the answer to question 92. The number of outliers and frequency of the mailings will depend on the proposed scope of vendor interventions.*

94. **Section 5.2.5.2, Page 48:**Does the state have a standard contract that the contractor must use for Supplemental Rebate contracting?

Answer: *A standard supplemental rebate agreement (SRA) has been approved by CMS and is included in the Medicaid State Plan as it pertains to our current TOP$ program administered by Provider Synergies. If a new vendor is selected to administer supplemental rebate contracting, CMS will need to approve the standard agreement that will be used by that vendor.*

95. Section 5.3, Page 48: What is the current annual PA volume? Does the state anticipate any policy changes that would change that volume during the term of this contract?

Answer: *PA volume for 2006Q1 was as follows:*

STAT-PA	*21,646*
Paper	*566*
FAX	*1,857*
Total	*24,069*

The State does not anticipate policy changes that would change this volume.

96. **Section 5.3, Page 48:** What percent of the total PA volume is received via each of the allowed submission methods?

Answer: *The response provided to question 95 also answers this question.*

97. Section 5.3.1, Page 48: Accept real-time entry of PA requests/amendments through an automated voice response (AVR) system. Would the state respond to the following questions:

What is the estimated call volume in the AVR monthly?
Answer: *This is provided in the answer to question 95.*

Will the caller have the option to transfer to a Customer Service Representative?
Answer: *Currently, the caller does have this option.*

What is the desired automation rate of calls to be handled in the AVR or the average call length?
Answer: *This can be proposed by the vendor.*

Are multiple languages required?
Answer: *Yes. Required languages are English, Spanish, Hmong and Russian.*

Are scripts already developed or will the vendor write the scripts?
Answer: *The vendors would write the scripts.*

Will live data be accessed by the AVR (i.e. claim information) or will an uploaded file be provided
Answer: *STAT-PA functions in the AVR must successfully integrate with Point-of-Sale to access live claims information.*

98. Section 5.3.3, Page 49: Are printing costs associated with Right to Appeal notices considered reimbursable expenses? If not, what is the average monthly volume of these notices?

Answer: *Printing costs may not be considered reimbursable costs. Through the first seven months of calendar 2006, 4,765 "right to appeal" notices have been sent.*

99. Section 5.3.3, Page 49: Can the contractor provide forms to state for posting on the State's pharmacy provider web site or does the State prefer other distribution methods? If so, what other methods can be used?

Answer: *The State has not established requirements for this as part of this RFP. Section 5 provides current business requirements for information only. Vendors may propose methods to be used.*

100. Section 5.3.5, Page 49: Could the State clarify how accuracy is measured?

Answer: *An audit process is used to assure that PA inputs result in an accurate PA determination.*

101. Section 5.3.6, Page 49: Is this requirement in reference to Point of Sale or AVR transactions?

Answer: *The statement in this section is referencing AVR transactions.*

102. Section 5.4.4, Page 49: What is the average monthly volume of paper claim adjustments? What is the highest monthly volume of paper claim adjustments in the last 12 months?

Answer: *Post Part D, the estimated monthly volume of paper claim adjustments is in the range of 200-300. We do not estimate spikes that would create a high outlier.*

103. Section 5.4.5, Page 50: Could the State provide examples of State defined criteria?

Answer: *The current dispensing fees are: Traditional, Repackaging, Compounding and Pharmaceutical Care. Dispensing fees are listed in the Pharmacy Handbook at dhfs.wisconsin.gov/Medicaid*

104. Section 5.4.9.5, Page 50: Could the State clarify what is meant by "other data?"

Answer: *Any other data that could be used for coordination of benefits such as Part D eligibility, recipient lock-in data, etc.*

105. Section 5.4.9.15, Page 51: Could the State define "unsuccessful transmissions?"

Answer: *An unsuccessful transmission is one in which the provider is unable to process the claim for adjudication.*

106. **Section 5.4.9.19, Page 52:** Could the state provide prospective vendors with "State defined policies and procedures?"

Answer: *Policies and procedures are defined in provider handbooks and updates that are available at http://dhfs.wisconsin.gov/medicaid4/index.htm*

107. Section 5.5, Page 52: What quarter does the State want the vendor to begin rebate invoicing - the quarter prior to go live or 1st quarter after go live?

Answer: *The quarter after going live.*

108. Section 5.5, Page 52: Does the State require the contractor to load historical rebate data, and if so, how many quarters need to be loaded into the rebate administration system?

Answer: *The State does not anticipate requiring historical rebate data to be loaded.*

109. Section 5.5, Page 52: If historical rebate data needs to be loaded, is the data available electronically or on paper?

Answer: *Please reference the response to question 108.*

110. Section 5.5, Page 52: Is contractor expected to handle rebate disputes that existed prior to this contract begin date? If so, what is the volume and how old are the oldest disputes?

Answer: *No.*

111. Section 5.5.1.1, Page 52: It is widely accepted by drug manufacturers that any overpayment of drug rebates by a manufacturer result in a credit to the manufacturer the following quarter. The practice of issuing credits ensures that manufacturers receive the appropriate payment without a vendor having to incur additional labor and postage costs to remit refund checks. Would the State consider using credits as an optional way to settle overpayments with manufacturers?

Answer: *This will be contingent on federal rules governing the Medicaid drug rebate program at the time of PBM contract implementation.*

112. Section 5.5.1.2, Page 52: Please define and give examples of your programs. Is Medicaid a single program or made up of multiple programs?

Answer: *This section references rebate programs. Current rebate programs include the Medicaid federal rebate program, Medicaid supplemental, SeniorCare federal, SeniorCare supplemental, SeniorCare Non-Waiver and the Wisconsin Chronic Disease rebate program.*

113. Section 5.5.1.2, Page 52: Could the State define reporting requirements as they relate to drug rebates?

Answer: *The reporting requirements referenced in this section are specific to federal reporting requirements that govern Medicaid-related federal rebate programs.*

114. Section 5.5.1.3, Page 52: This requirement states that the vendor will receive and process other rebate related information from CMS, the State or manufacturers. Please define "other" rebate related information.

Answer: *CMS tapes include, but are not limited to, labeler information, termination dates and controlled substance indicators.*

115. Section 5.5.1.10, Page 53: Could the State please clarify what is meant by "Credit and reconcile Drug Rebate collections, based on NDC, to the individual claim record in compliance with State and Federal reporting requirements?"

Answer: *To assure that rebate funds collected are properly linked to submitted rebate claims, as is required in state and federal reporting.*

116. **Section 5.5.2.5, Page 54:** During the rebate process, claims can be re-billed to resolve disputes. Additionally, if a manufacturer overpays, a credit can be issued to that manufacturer the following quarter. Would the State please clarify the following requirement: "Automatically recoup payments for unverified prescriptions if billing pharmacy does not respond within State defined timeframe requirements." Would the State please also define 'unverified prescriptions'?

Answer: *If a manufacturer disputes the validity of unit amounts submitted in a rebate claim, the State requests that pharmacies submit verification to prove the accuracy of the units. If any such pharmacy does not provide the requested verification, claims payments for these "unverified prescriptions" are recouped by the State.*

117. Section 5.6.3, Page 55: The RFP states that the contractor must facilitate DUR board meetings, produce meeting materials including printing/distributing meeting agendas, reserving a meeting location, and recording/distributing meeting minutes. Is the contractor required to fund travel, meals, conference rooms, and stipend expenses for the DUR board meetings? Do the same requirements apply to the PA Advisory Committee?

Answer: *No, the contractor would not fund these expenses for members of either the DUR Board or PA Committee.*

118. Section 1.0.1, Page 4: Will vendors have access to the medical claims on-line as part of the adjudication process and/or to view by an individual vendor user? What is the system architecture the medical data is stored within? Is POS match with medical claims history occurring today? If yes, what is the process flow?

Answer: *It is anticipated that vendors would access medical claims through an extract to be updated daily. Medical data is currently stored in the Legacy MMIS mainframe. POS match with medical claims history is occurring today through claims extracts that enable profile constructions.*

119. Section 1.0.1, Page 5: For claims processing, is eligibility checked within the MMIS application during the adjudication process, or will an eligibility file be provided to the vendor to load into our claims processing system? If eligibility is only available through MMIS, can vendors receive an eligibility file on a frequency to be agreed upon for reporting purposes only?

Answer: *It is anticipated that an eligibility file will be provided and updated daily.*

120. Section 1.0.1, Page 5: What are the most current specifications for the new MMIS application scheduled for implementation in early 2007?

Answer: *Specifications are detailed in the MMIS RFP # 0447-DHFS as posted here: http://dhfs.wisconsin.gov/rfp*

121. Section 1.0.1, Page 5: How does the Forward Eligibility Card work? How would the vendor interface?

Answer: *The response provided to question 3 also answers this question.*

122. Section 1.0.1, Page 5: What are the State copay/coinsurance benefit designs planned for 2007?

Answer: *Clarification of this will be part of the final contract negotiation. Note that Section 3.3, Page 38 states that reimbursement or dispensing fee rate setting is not a policy variable available for use by vendors in the construction of their cost containment opportunity reports.*

123. Section 1.0.1, Page 5: What is meant by the "Pricing?" bullet under the Point of Sale Claims Adjudication and Payment section?

Answer: *The capacity to apply established state reimbursement rates to compute the gross ingredient cost of the prescription.*

124. Section 1.0.1, Page 5: Can you clarify your on-line reporting capabilities? Who are the users of the on-line reporting? Can the reports be pre-built with parameters that can be filled in by the users?

Answer: *Reports are accessed by a variety of state and other business users. Some pre-built reporting is allowable and even preferable, but a capacity for ad-hoc report creation is also necessary.*

125. Section 1.0.1, Page 5: What are the State's expectations concerning the bullet statement "data acquisition; preservation" under the Point of Sale Claims Adjudication and Payment section?

Answer: *The State expects that the POS claims adjudication and payment system will include these features and comply with state records retention laws. Vendors should propose their own solutions to this documented need.*

126. Section 1.0.1, Page 6: Does the State have specific requirements for counter detailing?

Answer: *No.*

127. Section 1.15, Page 18: Can the State confirm that the scope of services requested in this RFP is limited to the Fee-for-Service membership? According to the RFP, the current membership is equal to 278,173 lives? What are the membership projections for the remainder of the contract (next 5 years)?

Answer: *The State confirms that the scope of services requested in this RFP is limited to fee-for-service membership. The caseload number cited in this question is recipients, not members. The count of recipients has since been revised by an RFP amendment. 2006Q1 member counts have been provided in the response to question 24. Projections for future years have not been provided in this RFP. It is assumed that vendors will be responsible for managing all changes in caseload.*

128. Section 1.18, Page 22: What is the Vendor Conference and when and where will it be held?

Answer: *No vendor conference is planned for this RFP.*

129. Section 3.1.3, Page 33: Would the State like to see a narrative, a grid, or some other specific format outlining the vendor's experience?

Answer: *The State has no preference for the formatting of this answer.*

130. Section 3.2.1 (Question 3), Page 35: How would the information within MMIS affect the vendor's outcomes for this question?

Answer: *It is not clear to the State what is being asked by this question.*

131. Section 3.2.1 (Question 4), Page 35: Is it the expectation that the vendor would implement rules as part of the EDS or new MMIS system directly for packages 1 and 2? What are the system/technical requirements for packages 2 and 3?

Answer: *The rules and system/technical requirements in question here will be developed during the contract implementation phase and will depend on the procurement package chosen.*

132. Section 3.2.3 (Question 5), Page 36 Is the State's expectation that this call center would be for providers, i.e. physicians and pharmacists only? Would these calls address prior authorization inquiries only or is the expectation that this call center would assist claims processing inquiries as well?

Answer: *Question 5 in Section 3.2.3 asks vendors if their proposed PA solution requires a call center to support PA adjudication. This question should not be interpreted as an expectation. The question does not ask vendors to discuss a broader role assisting with claims processing inquiries.*

133. Section 3.2.4 (Question 6), Page 36: What aspects of MMIS is the State looking to have the PBM interface with. MMIS is scheduled to be implemented in early 2007, how does this affect a go-live date of 1-1-07? What eligibility processes and applications does the State have in place today such that interim interfaces may need to be built?

Answer: *This question is specific to eligibility interface. The State wishes to coordinate the "go-live" date of PBM functions with the "go-live" date of the new MMIS. January 1, 2007 was offered in the RFP document as an estimated date that is subject to any revisions that may occur to the estimated MMIS start date. Given the State's interest in this coordination, no interim interface need is anticipated. A go-live date will not be earlier than January 1, 2007.*

134. Section 3.3, Page 38: Is the file layout and information on the DVD containing the data extract the same as is provided today to the current contractor?

Answer: *No. The data use agreement claims extract provided is the sole basis upon which all vendors must complete technical response requirements.*

135. Section 3.3, Page 38: What does the WCDP data represent within the file provided to the vendors?

Answer: *It represents WCDP recipient pharmacy and medical claims on file for 2006Q1.*

136. Section 3.3, Page 38: How are Medicaid and SeniorCare differentiated within the MA_SC data table?

Answer: *By recipient medical status codes. The medical status codes are defined in the data dictionary.*

137. Section 3.3, Page 38: There is a field labeled "BILLING_PROV_ID" within the data files provided to the vendor, is this a pharmacy NABP number?

Answer: *The definition of this field provided in the data dictionary is "the unique Medicaid identification (ID) number of the provider who filled the prescription."*

138. Section 3.4 (Question 2), Page 39: Is the State requesting a project schedule (template) for a typical program implementation or a project schedule based off this template that is tailored to this Medicaid implementation?

Answer: *The schedule should be responsive to this RFP.*

139. Section 4.1.1, Page 41: For the requested 5-Year projection, does the State want the vendor to include a 5-Year savings projection on the PDL piece?

Answer: *No. The cost proposal should not include benefit savings that may result from the vendor's proposed pharmacy benefit management strategies. Benefit savings must be detailed in the technical proposal.*

140. Section 5.1.4, Page 44: Can the State clarify that prescribers should be allowed to override Prospective DUR alerts or to reverse the claim submitted? If yes, how is this accomplished currently?

Answer: *The prescriber may direct the pharmacy provider to override the prospective DUR alert. Currently, providers submit the override by entering standard codes in standard fields of NCPDP.*

141. Section 5.1.5.2, Page 44: What is the State's expectation for prescribing provider training? What is the current training process?

Answer: *That training is provided to the extent necessary to accomplish the vendor's DUR plan. Current training is provided via handbooks, updates and teleconferencing.*

142. Section 5.1.5.3, Page 44: Can the vendor have access to current Prospective DUR reports and formats? If yes, can the State forward a sample of those reports to the vendors?

Answer: *Additional information on the activities of the Wisconsin DUR Board can be found at http://dhfs.wisconsin.gov/medicaid4/pharmacy/dur/dur.htm*

143. Section 5.1.5.4, Page 44 and Section 5.6.6, Page 56: Please define "quantitative significance values"?

Answer: *This is a way of scoring DUR variables to determine if the DUR alert should be issued.*

144. Section 5.1.6.1, Page 45: For the reports listed, how frequently is additional reporting detail requested?

Answer: *That may be proposed by the vendor.*

145. Section 5.2.1, Page 46: What is the current State's process regarding the following statement "It will be critical that the vendor be capable of integrating the PDL function with Wisconsin Medicaid's existing PA program"?

Answer: *Not all Wisconsin Medicaid pharmacy PA requirements are related to PDL. PDL criteria for how PA is adjudicated must interface with other adjudication for non-PDL PA.*

146. Section 5.2.2.1, Page 46: Is it the State's expectation that we incorporate findings from the Oregon Evidence-Based Research Consortium when researching background information to support our recommendations?

Answer: Yes.

147. Section 5.3.3, Page 49: What is the State's expectation regarding the word "Generate" used in the first sentence within this section?

Answer: *To produce or make available.*

148. Section 5.3.5, Page 49: What specific measure does the statement "99% accuracy" refer to?

Answer: *The reference made here indicates a current requirement for 99% accuracy to state PA policies.*

149. Section 5.3.6, Page 49: Does this paragraph apply to on-line and AVR functionality?

Answer: *The specific reference in this citation refers to AVR functionality.*

150. Section 5.4.5, Page 50: What are the different fees that need to be administered, and how many fees could apply to a single claim?

Answer: *Each claim can have only one dispensing fee, which may be different from the standard dispensing fee based on a repackaging allowance.*

151. Section 5.4.9, Page 50: Within this section there are 19 sub-bullets, should all of these only apply to the Recipient Lock-In Program, or do some of these apply to other Medicaid programs?

Answer: *These should not have been reflected as sub-bullets and are not subcomponents of recipient lock in. An RFP amendment has corrected this.*

152. Section 5.4.9.4, Page 50: What are the State approved design specifications?

Answer: *This will be determined during contract implementation.*

153. Section 5.4.9.16, Page 51: Does the State determine the payer order and provide this to the vendor or is this the responsibility of the vendor? If it is the responsibility of the vendor, how is the current being administered?

Answer: *For TPL benefit coordination, it is not the responsibility of the PBM vendor to determine payer order involving more than one third party payer. However, Medicaid is always the payer of last resort.*

154. Section 5.4.9.16, Page 51: If the member or pharmacy owes money back to the State, what is the current recovery process?

Answer: *Re-adjudication of a claim that results in a refund to the state is resolved either by a remittance adjustment or by the pharmacy writing a check to the State.*

155. Section 5.4.9.17, Page 51: What are the current volumes of manually submitted COB claims and for what time frame does this volume represent, i.e. monthly, quarterly, annually, etc.?

Answer: Less than 1% of COB claims are manually submitted.

156. Section 5.4.9.18, Page 51: What is done with data that is sent? Are all of the data elements that need to be messaged back to the pharmacy included in this section? If not, can you provide all of the data elements?

Answer: *5.4.9.18 specifically references messaging to pharmacies related to TPL carriers. The intent is to assure that pharmacies have TPL information necessary to bill other third-party payers first.*

157. Section 5.4.9.19, Page 52: Can the State provide their defined policies and procedures?

Answer: *Please reference the answer provided to question 106.*

158. Section 5.5.1.1, Page 52: What is the current process for positive controls for rebates received?

Answer: *Rebate receivables are subject to all State accounting controls.*

159. Section 5.5.1.1, Page 52: Does the State have an accounts receivable system that requires the vendor to update the State's system with post drug rebate receipts and over payments.

Answer: *Yes.*

160. Section 5.5.1.2, Page 52: As part of the online access to drug rebate, what does the State specifically want to be able to access?

Answer: *All relevant information necessary to provide transparent tracking and monitoring of rebate invoicing, which includes but may not be limited to unit rebate amounts, units submitted, NDC, manufacturer.*

161. Section 5.5.1.3, Page 52: Can this be provided through another media besides tape? If it can only provided on tape, what is the specific type of technology utilized?

Answer: *CMS determines the required media.*

162. Section 5.6, Page 55: What are Levels 1 & 2?

Answer: *This reference appeared here in error and has been deleted via RFP amendment.*

163. Section 5.6.5, Page 55: What is the State's expectation concerning access to R-DUR information?

Answer: *As it relates to this RFP, this will be determined during contract implementation.*

164. Section 5.6.5, Page 55: Is the Web-based access available to prescribers only, or are there others that would access information through the Web? Is this type of access available today, and if yes, what information is currently available?

Answer: *The reference to web-based access made here involves access for state staff and vendor staff. No other access is involved in this citation.*

165. Section 5.6.6, Page 56: What is currently being displayed within the criteria tables?

Answer: *This would depend on what the vendor proposes for DUR criteria.*

166. Section 5.6.7, Page 56: Concerning the last couple of sentences, how should this be addressed for packages 2 and 3?

Answer: *This is a current business requirement that is presented as background and not itemized as a requirement of this RFP.*

167. Section 5.6.9.10, Page 57: What is the State currently receiving for "control reports"?

Answer: *This term means the control document maintained by the vendor related to a specific claim based DUR review. The content of specific control reports the State receives is proprietary to the current DUR vendor.*

168. Section 5.6.11, Page 58: What do these files contain? Is it aggregate data, or is this every unique recipient with each unique intervention?

Answer: *These files currently contain the clinical criteria for performing DUR.*

169. Will all questions and answers for all vendors be posted for everyone to see?

Answer: *Yes.*